

Senate File 499

H-1319

Amend the amendment, H-1299, to Senate File 499, as passed by the Senate, as follows:

1. Page 24, by striking line 11 and inserting <of the succeeding fiscal year.

DIVISION

MISCELLANEOUS PROVISIONS — PAYROLL DEBIT CARDS

Sec. _____. Section 91A.3, subsection 3, Code 2015, is amended to read as follows:

3. a. The wages paid under subsection 1 shall be paid using a method authorized by this section.

b. Wages due may be paid at the employee's normal place of employment during normal employment hours or at a place and hour mutually agreed upon by the employer and employee, or the employee may elect to have the wages sent for direct deposit, on or by the regular payday of the employee, into a financial institution designated by the employee.

c. Upon written request by the employee, wages due may be sent to the employee by mail. The employer shall maintain a copy of the request for as long as it is effective and for at least two years thereafter.

d. The employee may elect to have wages due sent for direct deposit, on or by the regular payday of the employee, into a financial institution designated by the employee. An employee hired on or after July 1, 2005, may be required, as a condition of employment, to participate in direct deposit of the employee's wages in a financial institution of the employee's choice unless any of the following conditions exist:

(1) The costs to the employee of establishing and maintaining an account for purposes of the direct deposit would effectively reduce the employee's wages to a level below the minimum wage provided under section 91D.1.

(2) The employee would incur fees charged to the employee's account as a result of the direct deposit.

(3) The provisions of a collective bargaining agreement mutually agreed upon by the employer and the employee organization prohibit the employer from requiring an employee to sign up for direct deposit as a condition of hire.

e. (1) An employer may offer payment of wages by debit card or pay card pursuant to this section only if all of the following requirements are met:

(a) The employee voluntarily agrees in writing to payment by debit card or pay card after the employer offers to pay the employee's wages by debit card or pay card and notifies the employee in writing that receipt of payment by debit card or pay card is voluntary on the employee's part and listing the other method or

1 methods of payment offered by the employer.

2 (b) The employee has the option of withdrawing all
3 wages due once per pay period, but not more frequently
4 than once per week, without incurring any charge, if
5 such withdrawal of wages is conducted at a financial
6 institution's office location. For purposes of this
7 subparagraph division, "financial institution" means
8 the same as defined in section 537.1301.

9 (2) The employer shall retain copies of the
10 employee's written consent and the notice of charges
11 for the period for which the consent is effective and
12 for at least two years thereafter.

13 (3) The employer shall substitute another payment
14 method in accordance with this section no later than
15 two pay periods after receiving a request from an
16 employee for termination of payment by debit card or
17 pay card.

18 ~~b.~~ f. If the employer fails to pay an employee's
19 wages on or by the regular payday in accordance with
20 this subsection, the employer is liable for the amount
21 of any overdraft charge if the overdraft is created
22 on the employee's account because of the employer's
23 failure to pay the wages on or by the regular payday.
24 The overdraft charges may be the basis for a claim
25 under section 91A.10 and for damages under section
26 91A.8.

27 Sec. _____. Section 91A.6, subsection 4, Code 2015,
28 is amended to read as follows:

29 4. On each regular payday, the employer shall
30 send to each employee by mail or shall provide at the
31 employee's normal place of employment during normal
32 employment hours a statement showing the beginning and
33 ending dates of the pay period to which the statement
34 applies, the hours the employee worked, the wages
35 earned by the employee, and deductions made for the
36 employee. However, the employer need not provide
37 information on hours worked for employees who are
38 exempt from overtime under the federal Fair Labor
39 Standards Act, as defined in 29 C.F.R. pt. 541, unless
40 the employer has established a policy or practice of
41 paying to or on behalf of exempt employees overtime, a
42 bonus, or a payment based on hours worked, whereupon
43 the employer shall send or otherwise provide a
44 statement to the exempt employees showing the hours the
45 employee worked or the payments made to the employee by
46 the employer, as applicable. An employer who provides
47 each employee access to view an electronic statement
48 of the employee's earnings and provides the employee
49 free and unrestricted access to a printer to print
50 the employee's statement of earnings, if the employee

1 chooses, is in compliance with this subsection.>>
2 2. By renumbering, redesignating, and correcting
3 internal references as necessary.

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